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Message Text

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ACTION EB-08

INFO OCT-01 ARA-10 EUR-12 ISO-00 L-03 FRB-03 OMB-01
ITC-01 SP-02 USIA-06 AGRE-00 AID-05 CIAE-00
COME-00 INR-07 IO-13 LAB-04 NSAE-00 OIC-02 SIL-01
STR-05 TRSE-00 CEA-01 SS-15 AF-10 EA-10 NEA-10
H-01 PA-01 PRS-01 /133 W
----------126832 151111Z /14
R 150028Z NOV 77
FM USINT HAVANA
TO SECSTATE WASHDC 522
INFO AMEMBASSY LONDON

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EO 11652: N/A
TAGS: ETRD EAGR EPAP CU
SUBJ: SUGAR: NEW U.S. TARIFFS

REF: HAVANA 562

1. CUBAN PRESS CONTINUES TO LAMBAST US FOR DECISION TO IMPOSE INCREASED U.S. SUGAR TARIFF AND FEE. GRANAMA, NOVEMBER 14, PUBLISHES OFFICIAL NEWS AGENCY (PRELA) STORY FROM NEW YORK STATING THAT PRESIDENT'S ACCEPTANCE OF NEW SUGAR CHARGES IS "ONE SIGNAL MORE THAT U.S. PREFERS UNILATERAL MEASURES TO NEGOTIATIONS". GRANMA GOES EVEN FARTHER AND STATES THAT SUGAR MEASURES, ALONG WITH POST-PONEMENT OF PRESIDENT'S OVERSEAS TRIP, SHOWS THAT "PRESIDENT JAMES CARTER, CEDING TO DOMESTIC PRESSURES, PREFERS TO RELEGATE TO SECOND PLACE IMPORTANT ASPECTS OF FOREIGN POLICY".

2. GRANMA ALLUDES ONLY BY INDIRECTION TO CONSEQUENCES FOR CUBA BY STATING THAT U.S. MEASURES WILL THROW A LARGER VOLUME OF SUGAR ONTO FREE MARKET. GRANMA,
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PRESUMABLY REACTING TO NEGATIVE IMPACT OF ANY QUOTA ON CUBAN POSSIBILITIES FOR EVENTUALLY ENTERING U.S. MARKET, ALSO NOTES DEPARTMENT OF AGRICULTURE STATEMENT ON FUTURE QUOTA POSSIBILITY AND STATES THAT 1934 TO 1974 U.S. QUOTA WAS "NOT USED SO MUCH AS MEANS TO GUARANTEE SUPPLY, BUT RATHER AS MEANS OF INTERNATIONAL POLITICAL PRESSURE".

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3. MINISTRY OF FOREIGN TRADE SUGAR NEGOTIATOR ALBERTO BETANCOURT ROA TOOK CALMER VIEW, IN CONVERSATION WITH USINT OFFICER (GLASSMAN), NOVEMBER 14. BETANCOURT SAID THAT CUBANS ARE AWARE THAT U.S. WANTS TO TAKE INTERIM PRICE SUPPORT MEASURES BEFORE ISA PRICES TAKE HOLD (PROBABLY IN EARLY 1979, HE SAID). CUBANS, OF COURSE, ARE CONCERNED THAT U.S. NOT BECOME ANOTHER EEC BLOCKING IMPORTS AND SUBSIDIZING EXPORTS. AT PRESENT TIME, BETANCOURT SAID, PSYCHO-LOGICAL IMPACT OF ISA APPEARS TO BE BUOYING SUGAR FUTURES MARKET AND CONSTRICTION OF SUPPLIES NEXT YEAR UNDER ISA QUOTA SYSTEM MAY OFFSET TENDENCIES (INCLUDING U.S. DECISIONS) DEPRESSING FREE MARKET PRICE.

4. COMMENT: BETANCOURT (AND HIS SUPERIOR MINISTER OF FOREIGN TRADE FERNANDEZ FONT) HAVE VESTED INTEREST IN DEFENDING VIABILITY AND EFFECTIVENESS OF ISA WHICH THEY NEGOTIATED. THEY ARE LIKELY, THEREFORE, TO DOWNGRADE EXTENT TO WHICH U.S. MOVES WILL DEPRESS ISA-REGULATED PRICES. OTHER INDIVIDUALS IN GOC, WHO APPARENTLY HAVE BEEN LESS THAN ENTHUSIASTIC ABOUT ISA (SEE HAVANA 466 FOR AMBIVALENT COMMENT BY VICE-PRESIDENT CARLOS RAFAEL RODRIGUEZ) MAY SEIZE ON U.S. INITIATIVES AS INDICATIVE OF EVEN MORE LIMITED CUBAN POSSIBILITIES IN FREE MARKET, AND HENCE, NEED FOR RELIANCE ON SOVIET UNION.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: SUGAR, POLICIES, TARIFFS
Control Number: n/a
Copy: SINGLE
Sent Date: 15-Nov-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977HAVANA00602
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770422-0121
Format: TEL
From: HAVANA
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Legacy Key: link1977/newtext/t19771159/aaaabxza.tel
Line Count: 95
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Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Reference: 77 HAVANA 562
Retention: 0
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Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 588368
Secure: OPEN
Status: NATIVE
Subject: SUGAR: NEW U.S. TARIFFS
TAGS: ETRD, EAGR, EPAP, CU, US
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/4bc8641a-c288-dd11-92da-001cc4696bcc
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